



**Baird 2018 Global
Industrial Conference
November 6, 2018**

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Q3 Financial Highlights



Results are Continuing Operations

- Increased sales by 11% to \$1.2 billion
- Increased as reported Operating Profit by \$6 million, and as adjusted Operating Profit⁽¹⁾ by \$10.6 million or 14%
- EPS of \$0.51 as reported, \$0.68 as adjusted⁽¹⁾ up 37%
- Increased backlog 41%⁽²⁾



(1) See the appendix for reconciliation to US GAAP
(2) Year over year, excluding the impact of business divestitures

Q3 Segment Highlights



- Increased sales 14%
- Increased operating margin 115 bps, incremental margin ~20%
- Increased backlog 48%



- Flat sales
- Supply base challenges in mobile cranes impacted deliveries and productivity
- Increased backlog 20%

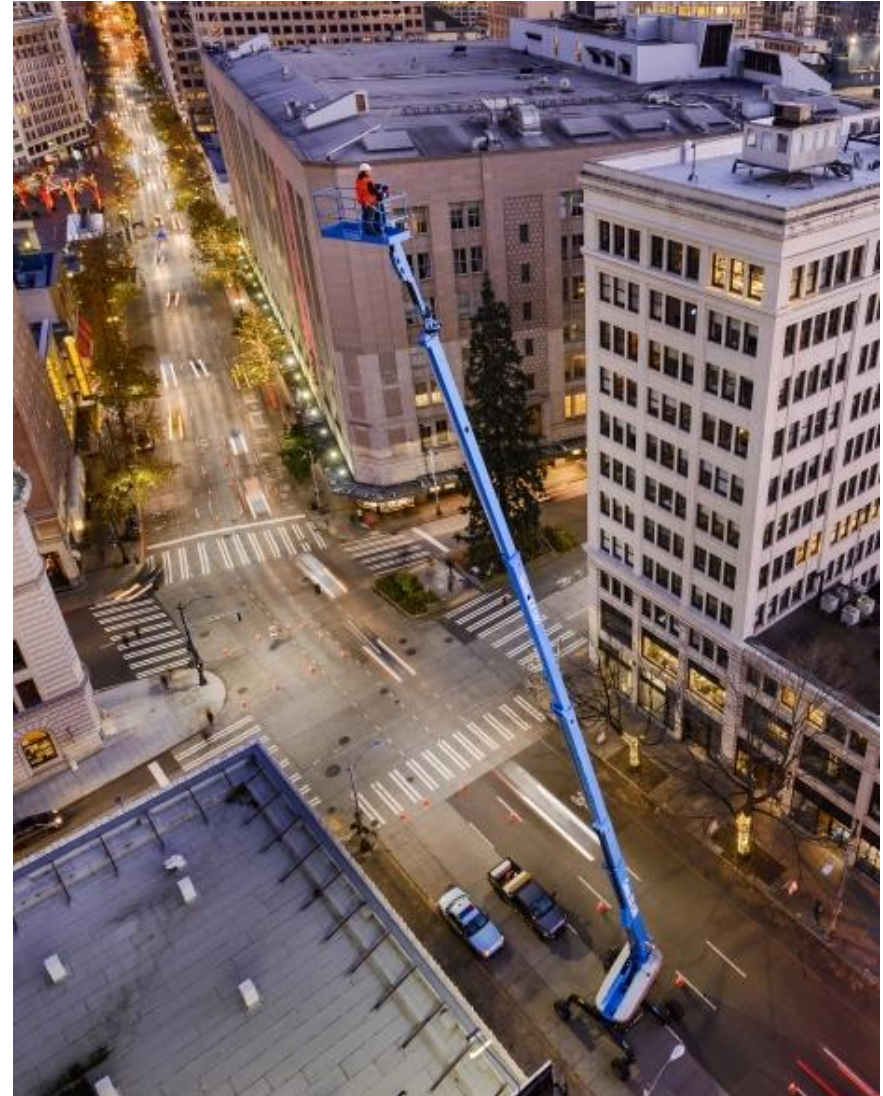


- Increased sales 14%
- Increased operating margin 200 bps, incremental margin ~28%
- Increased backlog 72%

Updating FY 2018 Guidance

Guidance Updates (1)

- Net Sales:
UP ~17%
- Operating Margin:
~6.6%
- EPS:
\$2.60 - \$2.70



(1) Excludes the impact of future divestitures, restructuring, transformation and other unusual items; Updated EPS guidance based on an average diluted share count of ~77.5 million, previous EPS guidance based on ~77.5 million

Disciplined Capital Allocation



**Cash Flow from Operations +
After-tax Proceeds from Divestures**



Optimal Capital Structure



Organic Growth Investments

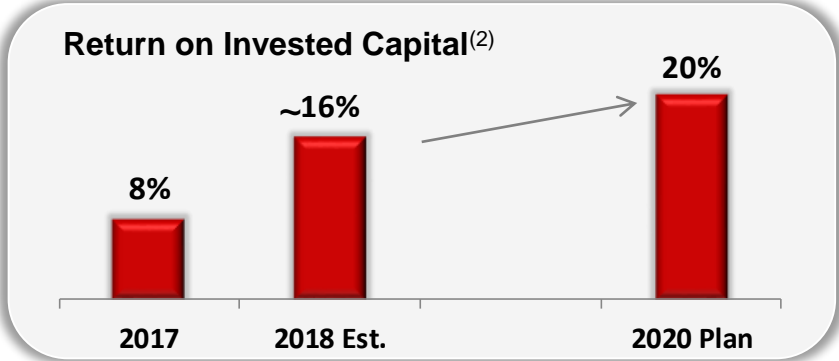


Restructuring Investments



**Efficient Returns of Capital
to Shareholders**

- YTD free cash flow similar to prior year, with more capex investment and higher inventory build
- Making strategic investments in high-performing businesses – YTD capex investment up 55%⁽¹⁾
- Continuing to invest in Restructuring and Transformation ~\$12 million cash in Q3, ~\$38 million YTD
- Increased quarterly dividend per share 25% versus last year
- \$300 million remaining on share repurchase program



(1) Excludes acquisition of Northern Ireland properties
(2) See the appendix for reconciliation to US GAAP

Summary

- Strong bookings and backlog growth in AWP and MP
- Improving AWP and MP margins
- Expecting improved Q4 Mobile Cranes performance
- Continuing to implement plans in Simplify and Execute to Win priority areas
- On-going execution of our disciplined capital allocation strategy



Questions?



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